WORKFORCE OBSERVATIONS
FOR FOX VALLEY WISCONSIN COUNTIES
AUGUST 2001

State of Wisconsin
Department of Workforce Development

Most Unemployment Rates Declined In July

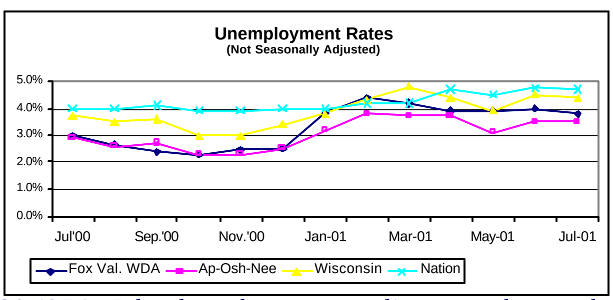
During July, unemployment rates in fifty-nine of the state's seventy-two counties declined, while rates in four counties remained unchanged from June, and only nine counties saw increases in their rates.

Wisconsin's unemployment rate in July was 4.4 percent, with the highest county rate reported in Menominee County (15.2 percent). The Second highest rate was in Rock County, 8.4 percent, followed by Juneau at 7.7 percent. The lowest rate in the state was reported in Dane County, 2.0 percent, up from 1.9 percent in June.

The national rate of unemployment in July, at 4.7 percent, remained unchanged over the month.

The Fox Valley Workforce Development Area (WDA) experienced 3.8 percent unemployment between June and July, which was a decline of 0.3 of a percentage point over the month. However, the July rate was up 0.8 of a percentage point from July of 2000. The annual increase is due primarily to the slowdown in manufacturing industries over the year. Between July of 2000 and July of 2001, the seven counties of the WDA lost more than 1,900 manufacturing jobs. During this same period, the there was a statewide decline of over 24,700 manufacturing jobs.

In the Appleton/Oshkosh/Neenah metropolitan statistical area (MSA) portion of the WDA, the July unemployment rate was 3.5 percent, down from 3.6 percent in June. Among the seven counties of the WDA, the rates declined in five areas, remained unchanged in one county, Outagamie, and rose in only one county, Calumet, which is a manufacturing county.



Nonfarm wage and salary jobs in the WDA numbered 286,427 in July, down by over 3,000 from a month ago. Over the year, the WDA was ahead by over 380 nonfarm jobs, a definite slowdown given the job generation of the past three years.

Over the month, there was an increase of over 460 construction jobs in WDA. There is a tremendous amount of infrastructure rebuilding in progress this summer, as well as new commercial and housing starts, clear evidence that the valley's economy is performing well despite the slowdown under way in manufacturing. On the table on the next page, you might note an over the month decline in government employment in the region (over 2,900 jobs). That is simply a seasonal factor accounted for by the summer break in our school systems.

The MSA portion of our seven-county area continued to perform well over the month and over the year. The 3.5 percent rate of unemployment in the MSA was well below the national and state rates. Over the month, the impact of the manufacturing slowdown was felt as employment in that sector declined by nearly 1,800 in the three county MSA (the Calumet, Outagamie, and Winnebago County area).

The MSA portion of the area contains 68.2 percent of the WDA's labor force, 68.4 percent of its total employment, and 62.6 percent of its unemployed workers. The 3.5 percent unemployment rate in the MSA is lower than that of each county of the WDA, except Winnebago County, which had a 3.3 percent rate of unemployment in July.

The industrial "anchor" of the economy in the MSA is the paper industry, which employs over 20,000 workers in the three county area. The paper industry pays the highest wages in the area, and has created and sustained many vendor companies that rise and fall with the economic health of paper manufacturing and converting industries. There is a lot of re-engineering going on among the players in the paper industry at this time, driven in part by rising cost and lower sales. Re-engineering/ re-structuring, along with facility sales and mergers have all resulted in job losses both in the hourly and salaried ranks of our premier manufacturing sector over the past couple of years. The process of adjusting to the global market place continues at this time.

The rapidly growing service and retail trade industrial sectors of the MSA have reported employment declines over the month, and services reported a decline in employment over the year, as well. Retail employment dropped by over 300 in July, but was up over 900 for the year. Retail is an extremely competitive sector of the economy, and small units often experience closings soon after startup.

Service employment dropped by 200 over the month and by 700 over the year in the MSA. Much of this job loss was observed in recreation and entertain establishments. The competition in areas such as entertainment was well illustrated by the loss of the ten screen movie theater at Fox

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River Mall shortly after the Regal 16 Cinema complex opened on the east side of Appleton. The east side is still in a phenomenal growth mode at this time, and there does not appear to have been the normal ripple effect that impacts other sectors during times of manufacturing slowdown.

About This Publication: This new *Workforce Observations* monthly newsletter replaces the monthly *Labor Market Review.* The data in this new version will be for the month preceding the publication date. In the earlier *Labor Market Review* news letter, there was a two month lag in reporting the data. We think this new publication of data will be more timely.

Workforce Observations is condensed to two pages, no volume and issue numbers are used. The news letter will be labeled only by month and year. The most current labor force and nonfarm wage and salary data will continue to be used, and the news letter will be mailed the last week of the month.

Jul-01	App/Osh/Neenah	Fond du Lac	Green Lake	Waupaca	Waushara	Region	Wisconsin
Civilian Labor Force*	236,000	57,800	11,100	28,300	12,800	346,100	3,128,300
Employed	227,800	55,500	10,600	26,900	12,200	333,000	2,990,500
Unemployed	8,200	2,300	500	1,300	700	13,100	137,800
Unemployment rate(%)	3.5%	3.9%	4.7%	4.7%	5.2%	3.8%	4.4%
Total, all industries**	208,103	48,436	8,060	21,828	6,380	286,427	2,855,612
Construction & Mining	15,088	3,393	688	1,229	463	20,398	141,187
Manufacturing	59,791	12,996	1,705	6,590	808	81,082	601,202
Transportation & Public Utilities	10,291	1,814	303	601	295	13,009	134,399
Wholesale Trade	9,409	1,935	178	810	401	12,332	140,389
Retail Trade	34,357	9,117	1,633	4,481	1,522	49,588	504,323
Finance,Insurance,Real Estate	9,184	1,657	231	655	226	11,727	154,325
Services	48,015	11,945	2,292	4,240	1,481	66,492	797,131
Government	21,968	5,579	1,030	3,222	1,184	31,799	382,656
Change from previous month							
Civilian Labor Force*	1,600	200	0	-300	100	1,700	13,700
Employed	1,800	500	100	-200	300	2,500	17,600
Unemployed	-200	-300	-100	-200	-100	-800	-3,800
Unemployment rate(%)	-0.1%	-0.5%	-0.3%	-0.6%	-1.1%	-0.3%	-0.1%
Total, all industries**	-1,980	-481	-72	-565	46	-3,098	-26,643
Construction & Mining	314	82	15	51	9	462	3,887
Manufacturing	-106	75	-19	5	-5	-45	1,670
Transportation & Public Utilities	89	-47	1	-26	48	17	-3,271
Wholesale Trade	65	5	4	7	79	81	952
Retail Trade	-358	-197	-2	23	-20	-534	-1,384
Finance,Insurance,Real Estate	35	0	-7	-4	1	24	1,003
Services	-220	47	50	-4	36	-127	759
Government	-1,799	-446	-114	-617	-102	-2,976	-30,259
Change from year ago							
Civilian Labor Force*	7,600	2,600	500	700	1,400	12,900	124,400
Employed	5,700	2,100	400	400	1,200	9,800	99,000
Unemployed	2,000	500	200	200	300	3,300	25,300
Unemployment rate(%)	0.8%	0.7%	1.4%	0.7%	1.3%	0.8%	0.7%
Total, all industries**	86	677	-52	-324	483	387	897
Construction & Mining	1,049	267	13	113	73	1,442	92
Manufacturing	-1,694	70	-101	-182	29	-1,907	-24,751
Transportation & Public Utilities	896	24	6	-18	10	907	2,075
Wholesale Trade	1	58	-5	-30	80	24	-745
Retail Trade	877	-21	17	62	59	935	3,443
Finance,Insurance,Real Estate	132	-3	12	12	2	154	3,832
Services	-646	165	1	28	70	-452	14,989
Government	-529	118	5	-310	161	-716	1,962

* Includes participants residing in area. ** Includes employment with employers located in area. Estimates are NOT seasonally adjusted. Current month estimates are preliminary. Totals may not add due to rounding. Calculations based on unrounded numbers.

Look for the most current Labor Market Information at: WWW.DWD.STATE.WI.US/LMI

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